



A TSX Health Stock With Ample Room to Run in the Second Half of 2019

Description

When it comes to [health stocks on the TSX](#), there's not much to choose from.

For those Canadians who are serious about gaining exposure to the field of healthcare, wellness, biotechnology, there's a far larger selection south of the border. When it comes to domestic names, one name stands out as a buy at today's valuations: **Jamieson Wellness** ([TSX:JWEL](#)), the producer of the iconic green-capped supplements.

Like many other Canadians, you're probably very familiar with the Jamieson brand and those unmistakable green bottle caps.

The brand is nearly a 100 years old, and when it comes to the old-fashioned vitamins, minerals, and supplements industry, being a trusted name for generations is what matters most, especially with all the generic competitors popping up on shelves with potentially sub-par quality control procedures.

When it comes to consumer-packaged goods, private label products have been all the rage. The power of branding in the space has lost its lustre over the years, especially with Millennials who aren't as loyal as their Baby Boomer counterparts when it comes to certain brands at the grocery store.

Jamieson, I believe, is immune to the move away from brands to private-label consumer packaged goods.

Why?

Jamieson supplements aren't just another run-of-the-mill packaged good, it's a trusted health product that's worth paying up for because of the potentially negative consequences of going for lower quality vitamins, minerals, and supplements.

You see, when it comes to the VMS space, it's tough to gauge the quality of the product that you're actually getting. An off-brand Vitamin D pill may be less actual vitamin D and more of some cheap filler, essentially robbing you of the nutrition you thought you were getting.

It's not just promised quantities that consumers need to be wary of, it's the quality of the supplement they're getting and all the sort. When it comes to health products, it's typically not a good idea to "cheap out."

As aging Baby Boomers and health-conscious Millennials go on the hunt for supplements, many of them will reach for the green cap by default and not even think of saving a buck or two on a potentially lower-quality alternative.

In short, Jamieson has a pretty [wide moat](#), even though it doesn't seem like it. As the company releases more new products while moving further into the Chinese market, Jamieson stock could become the best-performing defensive "health" play in the second half.

The valuation at today's levels can be a tough pill to swallow for value-conscious investors, but when you weigh the potential long-term growth you're getting from China and the width of Jamieson's moat, I'd say the stock is well-worth the seemingly high price of admission.

Stay hungry. Stay Foolish.

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